

FRANCES BAARD DISTRICT MUNICIPALITY



Section 71 Report

31 January 2020

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1. EXECUTIVE SUMMARY

All variances are calculated against the approved budget figures.

1.1 Statement of Financial Performance

Consolidated performance against annual budget (Projected Operating Results) – Statement of Financial Performance – (Annexure A - Table C4)

Revenue by source

Year-to-date actual revenue is R97, 519 million as compared to the year-to-date budget projections of R79, 476 million. The variance is due to the first trench of the equitable share which was transferred in July 2019.

Operating expenditure by type

To date, R54, 689 million has been spent as compared to the operational year-to-date budget projections of R87, 075 million. The variance is mainly due to the following:

- Vacant positions of the CFO, Director Planning & Development and Director Infrastructure;
- Capital and Operational allocations to local municipality which has not been claimed; and
- Special projects which are still at a planning stage of the SCM process.

The summary statement of financial performance in Annexure A, Table C4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.

Capital Expenditure

Year-to-date expenditure on capital amounts to R0, 268 million as compared to the operational year-to-date budget projections of R2, 056 million. Capital expenditure will improve as the financial year progress as projects are currently in the planning phase of the procurement process.

Please refer to Annexure A, Table C5 for further details.

Cash Flows

The municipality started the year with a total cash and cash equivalents of R78, 267 million. The year-to date cash and cash equivalents amounted to R113, 100, million. The net increase in cash and cash equivalents for the year to date is R34, 833 million. The increase is as a result of the equitable share that was received in July 2019.

Consolidated performance of year-to-date expenditure against year-to-date budget (per municipal vote)

The municipal vote reflects the organisational structure of the municipality which is made up of the following directorates: Council & Executive, Budget & Treasury, Administration, Planning & Development and Project Management & Advisory Services.

The following table depict the financial performance as per municipal vote according to the approved organogram of the municipality:

Council & Executive						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
01.1 - Council & Executive Administration	10,115,074	11,574,120	-	670,066	5,016,968	6,751,563
02.1 - Office Of The Municipal Manager	2,209,966	2,509,730	-	174,348	1,073,390	1,464,008
02.2 - Committee & Administration Services	962,088	1,312,270	-	35,597	298,936	765,492
02.3 - Internal Audit	2,441,526	3,299,340	-	202,472	1,581,020	1,924,622
02.4 - Communications	1,966,411	2,458,210	-	48,109	1,037,149	1,433,964
02.5 - Legal And Compliance	1,281,194	1,403,948	-	104,447	765,360	818,986
02.6 - Political Office Administration	3,473,258	3,821,750	-	154,243	2,095,173	2,229,353
02.7 - Youth Unit	2,157,854	1,998,740	-	127,713	1,329,455	1,165,927
02.8 - Risk Unit	877,772	1,006,030	-	87,246	607,046	586,873
Total	25,485,143	29,384,138	-	1,604,240	13,804,496	17,140,788

Actual operating expenditure of Council & Executive is R13, 805 million as compared to the year-to-date budget R17, 141 million. Special projects in the respective departments are still at a planning stage, project activities are expected to be implemented as indicated in the operational plans. Expenditure is expected to gain momentum as the year progress with the implementation of set budgets by the departments. Two vacancies exist within the department, namely, Manager: Office of the MM and the PMS Intern.

Budger & Treasury Office						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Budger & treasury						
03.1 - Finance Directorate	4,148,200	7,907,990	-	120,191	2,779,377	4,613,014
03.2 - Revenue & Expenditure	3,175,059	3,760,282	-	104,502	1,778,375	2,193,499
03.3 - Budget And Treasury Office	7,035,582	7,039,030	-	244,858	2,397,554	4,106,095
03.4 - Supply Chain Management	3,195,611	3,192,660	-	278,829	1,923,419	1,862,392
03.5 - Council Motor Vehicle Pool	1,935,333	1,905,760	-	3,928	389,805	1,111,698
Total	19,489,786	23,805,722	-	752,308	9,268,531	13,886,698

The actual operating expenditure of Budget & Treasury office at the end of the month amounts to R9, 269 million as compared to the year-to-date projected budget of R13, 887 million. Due to the vacant CFO position and finance intern, spending on the planned budget is below expected projection. Depreciation also contributes to the low spending as the actual expenditure is not yet accounted for in the current financial year, as the municipality is waiting for the finalisation of the audit to ensure the correct opening balances are recorded.

Corporate Services						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
04.1 - Administration Directorate	1,662,653	1,918,050	-	135,154	958,129	1,118,887
04.2 - Information Systems	3,578,972	4,140,130	-	124,080	1,483,497	2,415,105
04.3 - Human Resource Management	4,352,678	7,335,010	-	242,365	2,397,726	4,278,764
04.4 - Office Support Services	10,303,286	11,345,160	-	456,097	6,355,977	6,618,031
04.5 - Environmental Protection	3,912,678	7,539,150	-	354,572	2,742,352	4,397,855
04.6 - Fire Fighting & Disaster Management	5,953,146	10,244,950	-	412,489	3,509,914	5,976,201
Total	29,763,411	42,522,450	-	1,724,757	17,447,594	24,804,843

Actual operating expenditure of Corporate Services at the end of the month is R17, 448 million as compared to the year-to-date projected budget of R24, 805 million. Expenditure is expected to increase as the year progresses with the implementation of set budgets by the departments, taking into consideration the cost containment policy to eliminate non-priority spending on service delivery items. Vacancies within the department also has an impact on the underspending of the projected budget, namely, Senior Fire Fighter, Chief Clerk Archive and Disaster Management Co-ordinator.

Planning & Development						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
05.1 - Planning & Development Directorate	976,649	1,835,190	-	110,659	714,952	1,070,538
05.3 - Local Economic Development	5,018,657	8,310,100	-	335,330	2,961,916	4,847,584
05.4 - Planning Unit - Gis	1,627,268	2,100,110	-	86,995	604,080	1,225,077
05.5 - Planning Unit - Spacial Planning	1,534,595	3,551,380	-	50,607	543,951	2,071,643
05.6 - Tourism	3,241,809	3,697,410	-	109,326	1,722,670	2,156,847
05.7 - Planning Unit - ldp	1,389,378	1,664,460	-	134,281	848,364	970,942
Total	13,788,356	21,158,650	-	827,197	7,395,933	12,342,631

Actual operating expenditure of Planning & Development at the end of the month amounts to R7, 396 million as compared to the year-to-date projected budget of R12, 343 million. Due to the vacant director position, spending on the planned budget is below expected projection. However, the budget is expected to gain momentum when the financial year progresses, taking into consideration the cost containment policy to eliminate non-priority spending on service delivery items. Vacancies within the department also has an impact on the underspending of the projected budget, namely, GIS Officer and LED Officer.

Infrastructure						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
06.1 - Infrastructure Service Directorate	4,371,638	1,969,620	-	75,583	398,138	1,148,973
06.2 - Project Management & Advisory Service	12,318,762	25,415,450	-	221,787	4,637,156	14,825,692
06.3 - Infrastructure Service - Roads Maint	777,179	964,600	-	26,910	320,442	562,681
06.4 - Housing Administration	2,660,945	4,050,490	-	99,067	1,416,752	2,362,794
Total	20,128,525	32,400,160	-	423,347	6,772,488	18,900,140

Actual operating expenditure of Project Management & Advisory Services at the end of the month amounts to R6, 773 million as compared to the year-to-date projected budget of R18, 900 million. Underspending is due to the vacant Director position and the underspending of local municipality on Capital and Operational allocation. The spending on the planned budget is expected to gain momentum once the local municipalities start submitting claims for their projects. Vacancies within the department also has an impact on the underspending of the projected budget, namely: Manager Infrastructure and Building Technician.

Consolidated performance of year-to-date expenditure on special projects against full year budget

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
MUNICIPAL MANAGERS OFFICE						
COMMUNICATIONS						
Public Participation Programme	30,200	-	-	30,200	0%	The executive mayor and municipal manager to decide on how the program will be implemented
Total Communications Projects	30,200	-	-	30,200	0%	
FINANCE DIRECTORATE						
Support to 3 local municipalities (Phokwane, Magareng & Dikgatlong)	150,000.00	-	-	150,000.00	0%	To be utilised during the course of the financial year, upon formal request for assistance from the local municipalities.
Total Finance Directorate Projects	150,000.00	-	-	150,000.00	0%	
BUDGET AND TREASURY OFFICE						
Revaluation of Buildings	150,000.00	-	-	150,000.00	0%	To be utilised in the fourth quarter, during the completion of the 2019/20 AFS.
Total BTO Projects	150,000.00	-	-	150,000.00	0%	

Project	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
PLANNING AND DEVELOPMENT						
PLANNING UNIT - GIS						
Land Use Survey (Dikgatlong)	390,000.00	-	-	390,000.00	0%	Project is in the planning phase, awaiting the implementation of the specification committee before advertising the tender.
Total GIS Projects	390,000.00	-	-	390,000.00	0%	
PLANNING UNIT - SPATIAL PLANNING						
Municipal Tribunal	70,000.00	-	9,168.00	60,832.00	13%	The DMPT is operational and the meeting will take place end of February.
FBDM SDF Framework	800,000.00	-	-	800,000.00	0%	The project is behind schedule and part of the milestones will be completed in the 2020/21 FY. The project is still at the functionality stage. Anticipated that the appointment will be finalised mid-february.
Phokwane Infill Development	140,000.00	-	51,878.64	88,121.36	37%	The project is on track. The final Environmental Impact Assessment has been submitted to the Department of Environment and Nature Conservation for review and approval. The third draft layout plan has been completed.
Total Spatial Planning Projects	1,010,000.00	-	61,046.64	948,953.36	6%	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
COUNCIL AND EXECUTIVE ADMINISTRATION						
COUNCIL						
South African Municipal Sports and Recreational Association Games (SAMSRA)	500,000.00	-	-	500,000.00	0%	Budget was not utilised due to the latest cost containment regulation released on 31 July 2019, after the adoption of the municipal budget. Budget to be revised during the adjustment budget process.
<u>Total Council Projects</u>	<u>500,000.00</u>	<u>-</u>	<u>-</u>	<u>500,000.00</u>	<u>0%</u>	
POLITICAL OFFICE ADMINISTRATION						
Commemorative Days	220,000.00	-	234,828.98	-14,828.98	107%	Overspending took place on Commemorative Days (Mandela program), that was held on the 27th & 28th of July, a two day program. Budget still needs to be corrected during the adjustment budget process.
Disability Programme	70,000.00	-	57,999.50	12,000.50	83%	Spending is due to the two (2) days Young Women workshop that took place in August at Phokwane Local Municipality. Project completed with savings.
Child Programme	50,000.00	-	47,000.00	3,000.00	94%	During the month of September a Heritage program occurred for two days and Project completed with savings.
Gender Programme	70,000.00	-	46,000.00	24,000.00	66%	Older Person's program was held to honour the elders, the two days program held during the month of October.
MRM Programme	5,000.00	-	-	5,000.00	0%	Budget to be utilised during the course of the financial year.
Old Age Programme	35,000.00	-	26,950.00	8,050.00	77%	Project completed with savings.
<u>Total Political Office Projects</u>	<u>1,450,000.00</u>	<u>-</u>	<u>412,778.48</u>	<u>37,221.52</u>	<u>28%</u>	
YOUTH UNIT						
Youth Career	25,000.00	-	7,412.39	17,587.61	30%	Youth Career event occurred on the 23rd of September 2019. Remaining budget to be utilised as year progresses.
Sopa Programme	17,000.00	-	7,000.00	10,000.00	41%	SOPA to take place on 23 March 2020, as per the operational plan.
June 16 Programme	45,000.00	-	37,000.00	8,000.00	82%	June 16 programme will take place during the fourth quarter, for the June 16 celebrations. The expenditure of R37 000 is due to the hosting of youth dialogue on the attacks on xenophobia and women & child abuse hosted on the 13th of September 2019.
Youth Skills Programme	253,600.00	-	205,068.70	48,531.30	81%	Youth Skills programme took place from the 03rd to the 05th of December 2019. Project completed with savings.
<u>Total Youth Projects</u>	<u>340,600.00</u>	<u>-</u>	<u>256,481.09</u>	<u>84,118.91</u>	<u>75%</u>	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
CORPORATE SERVICES						
HUMAN RESOURCE MANAGEMENT						
Employee Wellness Assistance Programme	80,000.00	-	132.00	79,868.00	0%	Will occur as and when needed by the employees.
Team Building	50,000.00	-	-	50,000.00	0%	Team Building was held on the 25th of October 2019 however there were no cost implications.
Total HR Projects	130,000.00	-	132.00	129,868.00	0%	
ENVIRONMENTAL PROTECTION						
Air Quality	14,000.00	-	5,936.27	8,063.73	42%	Campaigns were conducted during the first quarter on the 1st and 16th of August 2019.
Commemorative Days	85,000.00	973.92	3,957.40	81,042.60	5%	Programme is in the implementation stage, campaigns were conducted.
Awareness Sanitation Programme	56,600.00	756.00	16,113.76	40,486.24	28%	World Environmental Health Day was commemorated.
Environmental Health Framework	200,000.00	-	196,280.00	3,720.00	98%	Project is complete waiting for the council to adopt the document.
Water Analysis	338,500.00	24,110.47	126,535.52	211,964.48	37%	Water analysis was done in July 2019. Remaining budget to be utilised during the course of the financial year as per operational plan.
Sample Analysis	9,600.00	9,600.00	-	9,600.00	0%	Project is in the implementation phase.
Environmental World day Awareness	200,000.00	-	1,113.04	198,886.96	1%	The Environmental world day Awareness occurred on the 26 to the 27th of September 2019.
South African Standards for Drinking Water	90,000.00	-	-	90,000.00	0%	Budget to be utilised during the course of the financial year as no samples were collected.
Total Environmental Health Projects	993,700.00	35,440.39	349,935.99	643,764.01	35%	
FIRE FIGHTING & DISASTER MANAGEMENT						
Volunteer Training	107,400.00	-	76,150.00	31,250.00	71%	Training occurred on the 11th and 12th of December 2019. Project completed with savings.
Disaster Management Forum	10,800.00	-	-	10,800.00	0%	Hosting of disaster management forum, to be used during the financial year.
Awareness Programme	7,000.00	-	-	7,000.00	0%	Budget to be utilised during the course of the financial year, as per deployment during the 3rd to the 4th quarter.
Disaster Plan Strategy	800,000.00	-	-	800,000.00	0%	Project to be implemented during the course of the financial year.
Contingency Fund	320,000.00	72,353.00	139,698.00	180,302.00	44%	To be utilised as and when the need arise in emergency situations, during July 2019 expenditure was incurred for assistance to community members.
Total Disaster Management Projects	1,245,200.00	72,353.00	215,848.00	1,029,352.00	17%	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
PLANNING AND DEVELOPMENT						
LOCAL ECONOMIC DEVELOPMENT						
Led Small, Medium & Micro Entreprises	795,600.00	-	195,260.87	600,339.13	25%	Project its in the implementation stage to be completed at the end of June 2020.
Machinery and equipment SMME	850,000.00	-	-	850,000.00	0%	Advertisement for the application has been placed, submission closed at the end of August 2019.TOR to be finalised during February 2020.
Led Expo	920,000.00	-	916,304.69	3,695.31	100%	Project completed.
Youth Enterprenuer	160,000.00	-	-	160,000.00	0%	Project is in the implementation phase, awaiting appointment of specifications committee.
Exhibition Installers	380,000.00	-	113,400.00	266,600.00	30%	Budget to be utilised during the course of the financial year.
Led Trade & Investment Promotion	35,000.00	-	-	35,000.00	0%	Project is in the planning phase, in the process of developing brochures to be completed during the 3rd to the 4th quarter.
Investment Desk	50,000.00	-	-	50,000.00	0%	Project is in the planning phase, research in progress.To take place during 3rd quarter
Agriculture Emerging Farmers	200,000.00	-	-	200,000.00	0%	Project is in the implementation phase, awaiting appointment of specifications committee.
Advertising and Promotion	208,810.00	15,329.56	32,406.60	176,403.40	16%	Project is in the implementation phase, budget to be fully utilised by the end of the financial year.
Women Empowerment	50,000.00	-	50,000.00	-	100%	Project completed.Evaluation to occur during the 4th quarter.
Hartswater Stalls	600,000.00	-	526,739.13	73,260.87	88%	Project completed with savings.
Total LED Projects	4,249,410.00	15,329.56	1,834,111.29	2,415,298.71	3.57	
TOURISM						
Ganspan	270,000.00	-	96,042.00	173,958.00	36%	Project in the environmental impact review phase.
Indaba Expo	327,370.00	21,892.17	108,980.10	218,389.90	33%	Budget will be utilised during the fourth quarter, May 2020.
Diamond and Dorings Festival	480,000.00	-	-	480,000.00	0%	Budget to be utilised during March/April 2020.
Tourism Business Competition	501,300.00	-	370,546.35	130,753.65	74%	The spending of R370 546.35 was for the Presentation sessions ,transport and venue.Hand over of equipment ceremony,procurement of paper for ceremony.The awards ceremony took place on the 28 November 2019 in Kimberley.
Tourism Association	75,000.00	-	-	75,000.00	0%	Tourism association meetings to take place during the course of the financial year.
Northern Cape Tourism Authority	135,000.00	-	13,900.00	121,100.00	10%	No transfer to be done to the Northern Cape Tourism Authority as decision was made that Frances Baard District Municipality can do the marketing in-house. Budget to be moved to the Tourism Awareness Campaign during the adjustment budget process. Spending of R13 900.00 will be moved to the Community Awareness Campaign during adjustment budget process.
Tourism Awareness Campaign	120,000.00	-	78,527.65	41,472.35	65%	The event occurred on the 20th of September 2019, project completed with savings.
Printing of Travel Guide	150,000.00	-	-	150,000.00	0%	Budget to be utilised during the course of the financial year.
Tourism Advertisement	175,000.00	-	23,305.00	151,695.00	13%	In progress still to take place during the course of the financial year.
N12 Promotion	60,000.00	-	44,819.74	15,180.26	75%	Remaining budget to be utilised during the course of the financial year.
Total Tourism Projects	2,293,670.00	21,892.17	736,120.84	1,557,549.16	32%	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
INFRASTRUCTURE						
PROJECT MANAGEMENT & ADVISORY SERVICE						
Magareng O&M	2,500,000.00	-	985,056.15	1,514,943.85	39%	Spending dependent on claims received from the local municipality, the remaining budget of R1 514,943.85 will be used as the financial year progresses.
Dikgatlong O&M	2,500,000.00	-	167,200.00	2,332,800.00	7%	Spending dependent on claims received from the local municipality, the remaining budget of R2 332,800.00 will be used during the financial year.
Phokwane O&M	2,500,000.00	-	-	2,500,000.00	0%	Spending dependent on claims received from the local municipality,
Sol Plaatje O&M	2,500,000.00	-	14,300.00	2,485,700.00	1%	Spending dependent on claims received from the local municipality.
Magareng Capital Projects	2,000,000.00	-	-	2,000,000.00	0%	Spending dependent on claims received from the local municipality.
Dikgatlong Capital Projects	2,400,000.00	-	993,614.86	1,406,385.14	41%	Spending dependent on claims received from the local municipality. The remaining budget of R1 406,385.14 will be used during the financial year.
Phokwane Capital Projects	2,000,000.00	-	-	2,000,000.00	0%	Spending dependent on claims received from the local municipality.
Sol Plaatje Capital projects	2,000,000.00	-	-	2,000,000.00	0%	Spending dependent on claims received from the local municipality.
Total Infrastructure Projects	18,400,000.00	-	2,160,171.01	16,239,828.99	0.88	
HOUSING ADMINISTRATION						
Housing Project	860,000.00	-	-	860,000.00	0%	Budget to be utilised during the course of the financial year.
Total Housing Projects	860,000.00	-	-	860,000.00	0%	
Total Special Projects	32,192,780.00	145,015.12	6,026,625.34	25,166,154.66	19%	

The actual spending on special projects for the municipality at the end of the month amounts to R6 026 625.34, with a commitment of R145 015.12. The municipality has spent 19% of its budgeted special projects.

2. IN-YEAR BUDGET STATEMENT TABLES (ANNEXURE: A)**Table C1: Monthly Budget Statement Summary**

DC9 Frances Baard - Table C1 Monthly Budget Statement Summary - M07 January									
Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	6,729	5,350	-	1,013	5,106	3,121	1,985	64%	5,350
Transfers and subsidies	123,192	128,942	-	78	91,985	75,216	16,769	22%	128,942
Other own revenue	932	1,953	-	56	427	1,139	(712)	-62%	1,953
Total Revenue (excluding capital transfers and contributions)	130,853	136,245	-	1,147	97,519	79,476	18,043	23%	136,245
Employee costs	61,650	76,174	-	4,295	34,581	44,435	(9,854)	-22%	76,174
Remuneration of Councillors	6,700	7,311	-	567	3,787	4,265	(478)	-11%	7,311
Depreciation & asset impairment	3,003	3,629	-	-	-	2,117	(2,117)	-100%	3,629
Finance charges	204	-	-	-	-	-	-	-	-
Materials and bulk purchases	1,246	1,671	-	59	621	975	(354)	-36%	1,671
Transfers and subsidies	7,306	20,411	-	-	2,330	11,906	(9,576)	-80%	20,411
Other expenditure	28,547	40,074	-	410	13,370	23,377	(10,007)	-43%	40,074
Total Expenditure	108,655	149,271	-	5,332	54,689	87,075	(32,386)	-37%	149,271
Surplus/(Deficit)	22,198	(13,026)	-	(4,185)	42,830	(7,599)	50,429	-664%	(13,026)
Transfers and subsidies - capital (monetary allocations) (National /	2,521	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	24,719	(13,026)	-	(4,185)	42,830	(7,599)	50,429	-664%	(13,026)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	24,719	(13,026)	-	(4,185)	42,830	(7,599)	50,429	-664%	(13,026)
Capital expenditure & funds sources									
Capital expenditure	9,195	3,525	-	-	268	2,056	(1,788)	-87%	3,525
Capital transfers recognised	-	70	-	-	-	41	(41)	-100%	70
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	9,195	3,455	-	-	268	2,015	(1,747)	-87%	3,455
Total sources of capital funds	9,195	3,525	-	-	268	2,056	(1,788)	-87%	3,525
Financial position									
Total current assets	85,531	53,959	-	-	133,017	-	-	-	53,959
Total non current assets	64,343	64,934	-	-	64,587	-	-	-	64,934
Total current liabilities	18,293	15,141	-	-	23,357	-	-	-	15,141
Total non current liabilities	31,004	35,000	-	-	30,912	-	-	-	35,000
Community wealth/Equity	100,577	68,753	-	-	143,335	-	-	-	68,753
Cash flows									
Net cash from (used) operating	32,761	(3,085)	-	(4,263)	36,708	(1,799)	(38,507)	2140%	(3,085)
Net cash from (used) investing	(9,811)	(3,525)	-	-	(1,875)	(2,056)	(181)	9%	(3,525)
Net cash from (used) financing	(2,455)	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	71,567	64,957	-	-	113,100	67,711	(45,389)	-67%	64,957
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	255	163	171	222	16	250	14	1,178	2,269
Creditors Age Analysis									
Total Creditors	200	64	10	24	-	-	-	-	298

Table C2 Monthly Budget Statement - Financial Performance (standard classification)

DC9 Frances Baard - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		124,655	130,209	-	1,102	96,005	75,955	20,050	26%	130,209
Executive and council		478	250	-	-	-	146	(146)	-100%	250
Finance and administration		124,177	129,959	-	1,102	96,005	75,809	20,196	27%	129,959
Community and public safety		389	246	-	-	-	144	(144)	-100%	246
Public safety		389	-	-	-	-	-	-	-	-
Economic and environmental services		8,331	5,790	-	45	1,514	3,378	(1,864)	-55%	5,790
Planning and development		8,331	5,790	-	45	1,514	3,378	(1,864)	-55%	5,790
Trading services		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	133,374	136,245	-	1,147	97,519	79,476	18,043	23%	136,245
Expenditure - Functional										
Governance and administration		64,873	77,928	-	3,314	34,268	45,458	(11,190)	-25%	77,928
Executive and council		18,920	21,217	-	1,162	9,814	12,376	(2,562)	-21%	21,217
Finance and administration		43,511	53,412	-	1,950	22,873	31,157	(8,284)	-27%	53,412
Internal audit		2,442	3,299	-	202	1,581	1,925	(344)	-18%	3,299
Community and public safety		8,614	14,295	-	512	4,927	8,339	(3,412)	-41%	14,295
Public safety		422	-	-	-	-	-	-	-	-
Housing		2,661	4,050	-	99	1,417	2,363	(946)	-40%	4,050
Economic and environmental services		31,927	53,350	-	1,397	13,771	31,121	(17,350)	-56%	53,350
Planning and development		28,014	45,811	-	1,042	11,029	26,723	(15,694)	-59%	45,811
Environmental protection		3,913	7,539	-	355	2,742	4,398	(1,656)	-38%	7,539
Trading services		-	-	-	-	-	-	-	-	-
Other		3,242	3,697	-	109	1,723	2,157	(434)	-20%	3,697
Total Expenditure - Functional	3	108,655	149,271	-	5,332	54,689	87,075	(32,386)	-37%	149,271
Surplus/ (Deficit) for the year		24,719	(13,026)	-	(4,185)	42,830	(7,599)	50,429	-664%	(13,026)

Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by Municipal vote)

DC9 Frances Baard - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January										
Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive & Council		478	250	-	-	-	146	(146)	-100.0%	250
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Budget & Treasury Office		124,177	129,959	-	1,102	96,005	75,809	20,196	26.6%	129,959
Vote 04 - Administration		389	246	-	-	-	144	(144)	-100.0%	246
Vote 05 - Planning & Development		-	800	-	-	-	467	(467)	-100.0%	800
Vote 06 - Infrastructure Services		8,331	4,990	-	45	1,514	2,911	(1,397)	-48.0%	4,990
Total Revenue by Vote	2	133,374	136,245	-	1,147	97,519	79,476	18,043	22.7%	136,245
Expenditure by Vote	1									
Vote 01 - Executive & Council		10,115	11,574	-	670	5,017	6,752	(1,735)	-25.7%	11,574
Vote 02 - Office Of The Municipal Manager		15,370	17,810	-	934	8,788	10,389	(1,602)	-15.4%	17,810
Vote 03 - Budget & Treasury Office		19,490	23,806	-	752	9,269	13,887	(4,618)	-33.3%	23,806
Vote 04 - Administration		29,763	42,522	-	1,725	17,448	24,805	(7,357)	-29.7%	42,522
Vote 05 - Planning & Development		13,788	21,159	-	827	7,396	12,343	(4,947)	-40.1%	21,159
Vote 06 - Infrastructure Services		20,129	32,400	-	423	6,772	18,900	(12,128)	-64.2%	32,400
Total Expenditure by Vote	2	108,655	149,271	-	5,332	54,689	87,075	(32,386)	-37.2%	149,271
Surplus/ (Deficit) for the year	2	24,719	(13,026)	-	(4,185)	42,830	(7,599)	50,429	-663.6%	(13,026)

Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)

DC9 Frances Baard - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Rental of facilities and equipment		858	1,153		18	325	673	(348)	-52%	1,153
Interest earned - external investments		6,729	5,350		1,013	5,106	3,121	1,985	64%	5,350
Transfers and subsidies		123,192	128,942		78	91,985	75,216	16,769	22%	128,942
Other revenue		75	800		39	103	467	(364)	-78%	800
Gains on disposal of PPE		-	-		-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		130,853	136,245	-	1,147	97,519	79,476	18,043	23%	136,245
Expenditure By Type										
Employee related costs		61,650	76,174		4,295	34,581	44,435	(9,854)	-22%	76,174
Remuneration of councillors		6,700	7,311		567	3,787	4,265	(478)	-11%	7,311
Debt impairment		-	3		-	-	2	(2)	-100%	3
Depreciation & asset impairment		3,003	3,629		-	-	2,117	(2,117)	-100%	3,629
Finance charges		204	-		-	-	-	-		-
Bulk purchases		-	-		-	-	-	-		-
Other materials		1,246	1,671		59	621	975	(354)	-36%	1,671
Contracted services		18,158	24,092		310	7,153	14,054	(6,900)	-49%	24,092
Transfers and subsidies		7,306	20,411		-	2,330	11,906	(9,576)	-80%	20,411
Other expenditure		10,322	15,679		100	6,217	9,146	(2,930)	-32%	15,679
Loss on disposal of PPE		67	300		-	-	175	(175)	-100%	300
Total Expenditure		108,655	149,271	-	5,332	54,689	87,075	(32,386)	-37%	149,271
Surplus/(Deficit)		22,198	(13,026)	-	(4,185)	42,830	(7,599)	50,429	(0)	(13,026)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2,521	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions		24,719	(13,026)	-	(4,185)	42,830	(7,599)			(13,026)
Taxation										
Surplus/(Deficit) after taxation		24,719	(13,026)	-	(4,185)	42,830	(7,599)			(13,026)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		24,719	(13,026)	-	(4,185)	42,830	(7,599)			(13,026)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		24,719	(13,026)	-	(4,185)	42,830	(7,599)			(13,026)

Revenue

Year-to-date actual revenue is R97, 519 million as compared to the year-to-date budget projections of R79, 476 million. The variance is mainly due to the first trench of the equitable shares which was transferred in July 2019.

Expenditure

To date, R54,689 million has been spent as compared to the operational year-to-date budget projections of R 87,075 million. The variance is mainly due to the following:

- Vacant positions of the CFO, Director Planning & Development and Director Infrastructure;
- Capital and Operational allocations to local municipality which has not been claimed; and
- Special projects which are still at a planning stage of the SCM process.

Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

DC9 Frances Baard - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - M07 January										
Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote										
02.3 - Internal Audit		4	-	-	-	-	-	-	-	-
02.4 - Communications		5	8	-	-	7	5	2	41%	8
02.6 - Political Office Administration		-	-	-	-	-	-	-	-	-
03.1 - Finance Directorate		-	4	-	-	-	2	(2)	-100%	4
03.2 - Revenue & Expenditure		-	-	-	-	-	-	-	-	-
04.4 - Office Support Services		551	169	-	-	16	98	(83)	-84%	169
Vote 05 - Planning & Development		17	14	-	-	-	8	(8)	-100%	14
05.1 - Planning & Development Directorate		1	-	-	-	-	-	-	-	-
05.2 - Planning Unit - Pms Management		-	-	-	-	-	-	-	-	-
05.3 - Local Economic Development		-	-	-	-	-	-	-	-	-
05.4 - Planning Unit - Gis		-	-	-	-	-	-	-	-	-
05.5 - Planning Unit - Spacial Planning		-	14	-	-	-	8	(8)	-100%	14
05.6 - Tourism		16	-	-	-	-	-	-	-	-
05.7 - Planning Unit - ldp		-	-	-	-	-	-	-	-	-
Vote 06 - Infrastructure Services		5,852	91	-	-	18	53	(35)	-65%	91
06.1 - Infrastructure Service Directorate		5,852	-	-	-	-	-	-	-	-
06.2 - Project Management & Advisory Service		-	70	-	-	-	41	(41)	-100%	70
06.4 - Housing Administration		-	-	-	-	-	-	-	-	-
Vote 07 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total single-year capital expenditure		9,195	3,525	-	-	268	2,056	(1,788)	(0)	3,525
Total Capital Expenditure		9,195	3,525	-	-	268	2,056	(1,788)	(0)	3,525
06.4 - Housing Administration		-	-	-	-	-	-	-	-	-
Total single-year capital expenditure		566	177	-	-	22	103	(81)	(0)	177
Total Capital Expenditure		566	185	-	-	29	108	(79)	(0)	185

3. SUPPORTING DOCUMENTATION**Monthly Budget Statement - aged debtors**

DC9 Frances Baard - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January													
Description	NT Code	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Other	1900	255	163	171	222	16	250	14	1,178	2,269	1,680		
Total By Income Source	2000	255	163	171	222	16	250	14	1,178	2,269	1,680	-	-
2018/19 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	239	147	155	1,539	-	-	-	-	2,080	1,539		
Other	2500	16	16	16	(1,317)	16	250	14	1,178	189	141		
Total By Customer Group	2600	255	163	171	222	16	250	14	1,178	2,269	1,680	-	-

Municipal debtors consist of three main groups, namely:

- Provincial or Local government bodies for services rendered to or on behalf of these bodies,
- Ex-employees entitled to post-service benefits, and
- Other entities by way of service delivery for which costs are to be recovered.

Matters reported below are in respect of debts outstanding to the municipality as at 31 January 2020.

FRANCES BAARD DISTRICT MUNICIPALITY								
DEBTORS OUTSTANDING BALANCES								
31 JANUARY 2020								
DEBTOR	INVOICE DATE	DESCRIPTION	INITIAL DEBT	AMOUNT PAID PREVIOUSLY	INVOICED JANUARY '20	PAID JANUARY '20	BALANCE	PROGRESS
Moloi M.M.	4/17/2014	Irregular expenditure - Motor Vehicle & Modules failed	188,636.80	132,584.20	0.00	0.00	56,052.60	Handed over to state attorney - Summons issued 01/08/2019
Kgantsi N.G.	8/18/2015	Medical aid	26,740.00	10,138.85	0.00	0.00	16,601.15	Handed over to state attorney
Johnson W.	6/30/2016	Modules failed & Salary overpayment	36,089.94	23,134.43	0.00	0.00	12,955.51	Handed over to state attorney - Summons issued 08/07/2019
Molefi P.R.	6/30/2016	Modules failed & Salary overpayment	31,543.50	24,668.09	0.00	0.00	6,875.41	Handed over to state attorney
Maribe B.M.	9/22/2016	Salary overpayment	16,546.73	13,081.48	0.00	0.00	3,465.25	No payment received
Nicholas T.	9/22/2016	Modules failed & Salary overpayment	25,582.71	16,810.95	0.00	0.00	8,771.76	Handed over to state attorney
Department of Safety & Liaison	7/1/2018	Rental Clinic Building - Jan Kempdorp	164,831.45	65,429.72	4,402.48	4,402.48	99,401.73	Handed over to legal department for further action
Department of Transport	7/1/2018	Post Service medical aid - Council Contribution	1,378,801.93	1,182,274.70	68,115.80		264,643.03	Received monthly payments
Department of Transport	7/1/2018	Sundry - Municipal accounts workshops	2,315,367.52	766,092.34	166,967.92	0.00	1,716,243.10	Handed over to legal department for further action
MTN	7/1/2018	Tower - Rental & fixed rate electricity	123,311.15	82,079.85	15,989.60	0.00	57,220.90	Current balance - new contract 01/10/2019
Greenan S.	7/1/2018	Post Service medical aid - Member Contribution	11,355.00	9,084.00	0.00	0.00	2,271.00	Awaiting feedback from member for re payment
Maritz A.J.	7/1/2018	Post Service medical aid - Member Contribution	4,732.38	4,384.00	0.00	350.00	-1.62	-
Neethling W.J. (Estate Late)	7/1/2018	Post Service medical aid - Member Contribution	9,153.04	6,488.00	0.00	0.00	2,665.04	Account handed in for payment from late member's estate
Moruri K.K.	10/30/2018		3,712.50	1,856.22	0.00	309.37	1,546.91	Monthly salary deduction
Mokgoro D.K.	12/19/2018	Medical aid overcharged	5,978.61	0.00	0.00	0.00	5,978.61	Debtor did not want to pay on this stage, request more information - reported to the CFO Ms Moseki for further action
Siwisa A.M.	7/30/2019	Salary overpayment	9,653.29	0.00	0.00	0.00	9,653.29	Cllr did not receive formal letter - reported to the CFO Ms Moseki for further action
Mosala D.M.	9/30/2019	Missing laptop - Cllr Bishop	3,648.00	1,459.20	0.00	364.80	1,824.00	Monthly salary deduction
Pienaar R.	9/30/2019	Excess fee - Vehicle repairs	5,000.00	1,571.00	0.00	571.00	2,858.00	Monthly salary deduction
			4,360,684.55	2,341,137.03	255,475.80	5,997.65	2,269,025.67	

DC9 Frances Baard - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January											Prior year totals for chart (same period)
Description	NT Code	Budget Year 2019/20								Total	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100										-
Bulk Water	0200										-
PAYE deductions	0300										-
VAT (output less input)	0400										-
Pensions / Retirement deductions	0500										-
Loan repayments	0600										-
Trade Creditors	0700										-
Auditor General	0800										-
Other	0900	200	64	10	24						298
Total By Customer Type	1000	200	64	10	24	-	-	-	-	-	298

The expenditure section continues to administer, manage, assess and improve creditors, salaries and sundry payments subject to internal recommendations.

Trade Creditors:

The Municipal purchases and payments to creditors are under adequate control. Expenditure statistics for the month ended on the 31 January 2020 is listed below:

FRANCES BAARD DISTRICT MUNICIPALITY		
EXPENDITURE STATISTICS		Jan-20
PAYMENTS		
Total value of all payments		R 5,509,590
Electronic transfers		49
Cheques issued		1
SALARIES		
Number of salary beneficiaries		159
Councillors		26
Total Councillors	27	
* Councillors Position - Vacant	<i>1</i>	
* Councillors with Remuneration	26	
* Councillors without Remuneration	<i>0</i>	
Employees		133
* Remunerated Employee's	131	
* Remunerated Terminated Employees	<i>0</i>	
Pensioners	2	
Total remuneration paid		4,540,510
Councillors		362,990
Employees		2,203,667
Pensioners		2,841

Internal controls in the expenditure unit are continuously being assessed and tightened up to allow closer monitoring of daily purchases.

SUPPLY CHAIN MANAGEMENT:

Council adopted its procurement policy on 20 September 2017.

Council is empowered by the MFMA and its regulation to exercise oversight over the implementation of the Supply Chain Management Policy. The following is hereby reported as stipulated in the SCM Policy.

Implementation of the approved Supply Chain Management Policy:

The approved Supply Chain Management Policy of 20 September 2017 is implemented and maintained by all relevant role players.

Implementation of the Supply Chain Management Process:

- **Training of Supply Chain Management Officials**

There was no training during the month of January 2020.

- **Demand Management**

Bids and quotations were invited in accordance with the Supply Chain Management Policy. Bid documents used were customised, standard bid documents prescribe by National Treasury. All preconditions were enforced during the opening of bids including the verification on Tax Clearance Certificates issued by SARS. The procurement plan for 2019-20 was approved by the Accounting Officer.

- **Acquisition Management**

For the period of January 2020, there were three contracts (R200 000 +) awarded by the Municipal Manager:

1. SME's capacitation programme-IALE INSTITUTE - R748 500.00 VAT inclusive.
2. Supply, delivery and installation of 20kva ups (uninterrupted power supply)- ROZLIN ENTERPRISES - R169 948.65 VAT inclusive.
3. Supply, delivery and installation of new data storage arrays server- MOSIMA IT SOLUTION -594 550.00 VAT inclusive.

For the period of January 2020, there were zero written quotations (R30 000-R200 000) awarded by the Municipal Manager.

Total orders issued total R0.00

Orders per department:

Council & Executive	R 0
Municipal Manager	R 0
Finance	R 0
Administration	R 0
Planning & Development	R 0
Technical Service	R 0

a. Disposal Management

No disposals for the month of January 2020.

b. Deviations

No deviation was approved by the Municipal Manager for the month of January 2020.

c. Issues from Stores**Total orders issued total R99 379.05**

Issues per department

Council & Executive	R 11 520.00
Municipal Manager	R 11 106.73
Finance	R 21 264.69
Administration	R 36 674.98
Planning & Development	R 18 812.65
Technical service	R 0.00

d. List of accredited Service Providers

The supplier's database is updated daily, and the database is amended to make provision for the MBD 4 and MBD 9 forms as required by the AG report.

e. Support to Local Municipalities

No official request was received from the local municipalities for the month of January 2020.

Monthly Budget Statement - investment portfolio

DC9 Frances Baard - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January														
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ,	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														-
Municipality sub-total										-		-	-	-
Entities														
NEDCOR		1	notice	Yes	Fixed	0.0823	0	0	6/24/2020	6,700	-	-	6,700	13,400
NEDCOR		4	notice	Yes	Fixed	0.075	0	0	4/1/2020	9,000	13	(13)	9,000	18,000
NEDCOR		4	notice	Yes	Fixed	0.0755	0	0	3/13/2020	10,000	29	(29)	10,000	20,000
TOTAL INVESTMENTS AND INTEREST	2									112,701		(417)	112,701	225,402

Surplus cash is invested at approved banking institutions in accordance with current cash and investment policy.

Investment amounts to R 225, 402 million as at 10 February 2020.

Monthly Budget Statement - transfers and grant receipts

DC9 Frances Baard - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		117,209	125,792	-	78	91,945	73,379	18,567	25.3%	125,792
Equitable Share		116,209	120,606	-	-	90,455	70,354	20,102	28.6%	120,606
Expanded Public Works Programme Integrated Grant		-	1,270	-	45	507	741	(234)	-31.6%	1,270
Municipal Disaster Recovery Grant		-	246	-	-	-	144	(144)	-100.0%	246
Health	4	478	-	-	-	-	-	-	-	-
Housing Projects		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		74	2,100	-	-	40	1,225	(1,185)	-96.7%	2,100
Northern Cape Economic Development Agency		-	-	-	-	-	-	-	-	-
Services Sector SETA		74	-	-	-	-	-	-	-	-
Unspecified		-	2,000	-	-	-	1,167	(1,167)	-100.0%	2,000
Total Operating Transfers and Grants	5	123,192	128,942	-	78	91,985	75,216	16,769	22.3%	128,942
Housing Projects		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	2,521	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	-	-	-	-	-	-	-	-
Other capital transfers [insert description]										
Housing Projects		-	-	-	-	-	-	-	-	-
Northern Cape Economic Development Agency		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	-	-	-	-	-	-	-	-

Monthly Budget Statement - transfers and grant expenditure

DC9 Frances Baard - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Provincial Government:		102,037	140,419	-	5,255	52,486	81,911	(29,425)	-35.9%	140,419
Equitable Share		93,429	134,849	-	5,023	51,236	78,662	(27,426)	-34.9%	134,849
Expanded Public Works Programme Integrated Grant		685	765	-	195	195	446	(251)	-56.2%	765
Capacity Building		3,930	-	-	-	-	-	-		-
Housing Projects		-	-	-	-	-	-	-		-
Specify (Add grant description)		-	860	-	-	-	502	(502)	-100.0%	860
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		92	2,110	-	17	36	1,231	(1,195)	-97.1%	2,110
Production		-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:		102,129	142,529	-	5,272	52,522	83,142	(30,620)	-36.8%	142,529
Capital expenditure of Transfers and Grants										
National Government:		-	70	-	-	-	41	(41)	-100.0%	70
Rural Road Asset Management Systems Grant		-	70	-	-	-	41	(41)	-100.0%	70
Total capital expenditure of Transfers and Grants		-	70	-	-	-	41	(41)	-100.0%	70
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		102,129	142,599	-	5,272	52,522	83,183	(30,661)	-36.9%	142,599
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	140	-	-	-	82	(82)	-100.0%	140
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	140	-	-	-	82	(82)	-100.0%	140

Monthly Budget Statement - councillor and staff benefits

DC9 Frances Baard - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January										
Summary of Employee and Councillor remuneration	Ref	2018/19		Budget Year 2019/20						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C					D	
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5,347	6,443	–	460	3,087	3,758	(671)	-18%	6,443
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Motor Vehicle Allowance		869	829	–	66	426	484	(58)	-12%	829
Cellphone Allowance		484	40	–	41	274	23	251	1087%	40
Housing Allowances								–		
Other benefits and allowances								–		
Sub Total - Councillors		6,700	7,311	–	567	3,787	4,265	(478)	-11%	7,311
% increase	4		9.1%							9.1%
Senior Managers of the Municipality										
Basic Salaries and Wages		3,459	6,667	–	407	2,663	3,889	(1,226)	-32%	6,667
Pension and UIF Contributions		5	9	–	1	4	5	(1)	-26%	9
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		205	440	–	–	–	257	(257)	-100%	440
Motor Vehicle Allowance		–	193	–	–	–	112	(112)	-100%	193
Cellphone Allowance		53	96	–	7	39	56	(17)	-30%	96
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		0	1	–	0	0	0	(0)	-37%	1
Payments in lieu of leave		195	112	–	–	–	65	(65)	-100%	112
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Municipality		3,917	7,517	–	414	2,706	4,385	(1,679)	-38%	7,517
% increase	4		91.9%							91.9%
Other Municipal Staff										
Basic Salaries and Wages		37,615	43,551	–	3,268	22,378	25,405	(3,026)	-12%	43,551
Pension and UIF Contributions		5,347	6,230	–	471	3,289	3,634	(345)	-9%	6,230
Medical Aid Contributions		2,406	2,812	–	200	1,323	1,640	(317)	-19%	2,812
Overtime		138	116	–	10	84	68	16	24%	116
Performance Bonus		2,858	3,239	–	238	1,713	1,890	(176)	-9%	3,239
Motor Vehicle Allowance		3,204	3,644	–	234	1,712	2,125	(413)	-19%	3,644
Cellphone Allowance		215	216	–	17	117	126	(9)	-7%	216
Housing Allowances		431	423	–	40	262	247	15	6%	423
Other benefits and allowances		530	2,644	–	52	311	1,542	(1,232)	-80%	2,644
Payments in lieu of leave		1,187	1,000	–	(745)	75	583	(509)	-87%	1,000
Long service awards		(16)	302	–	–	–	176	(176)	-100%	302
Post-retirement benefit obligations	2	3,818	4,482	–	96	611	2,614	(2,003)	-77%	4,482
Sub Total - Other Municipal Staff		57,733	68,658	–	3,882	31,875	40,050	(8,175)	-20%	68,658
% increase	4		18.9%							18.9%
Total Parent Municipality		68,350	83,486	–	4,863	38,368	48,700	(10,332)	-21%	83,486
			22.1%							22.1%
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		68,350	83,486	–	4,863	38,368	48,700	(10,332)	-21%	83,486
% increase	4		22.1%							22.1%
TOTAL MANAGERS AND STAFF		61,650	76,174	–	4,295	34,581	44,435	(9,854)	-22%	76,174

The performance bonus of R204 940 is a provision made for the payout of the 2017/18 financial year which has not taken place. Therefore, a liability was created in the 2018/19 financial year for the performance bonus. The annual bonus of Senior Managers forms part of their basic salaries.

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace (finance department) for the month of January 2020 averages 65%.

Attendance trends are summarized as follows:

	Senior Management	Middle Management	Supervisory	Clerical
Number of Members	1	3	7	10
Leave	10	1	18	23
Sick Leave	0	0	3	1
Courses / Seminar	0	0	0	0
Meetings	0	0	0	0
Study leave	0	0	0	0
Maternity Leave	0	0	0	0
Family Responsibility	0	0	0	1
Union Meetings	0	0	0	0
Absent	0	0	0	0
Special Leave	0	0	0	0
Over time	0	0	0	0
No. of Workdays Attended	0	35	117	87
Total Workdays	0	36	138	112
Percentage Attendance per Group	0	97%	85%	78%
Average	65%			

Personnel Development:

- For the period of January 2020, no trainings took place.

INTERNSHIP PROGRAMME

As per National Treasury regulations, there are five finance internship posts. The aim of the programme is to capacitate finance graduates to eventually build their capacity to take up any senior position in the municipality if possible and elsewhere in other municipalities. Their appointment is for a period of 24 to 36 months depending on completion of the Municipal Finance Management Programme (MFMP).

One (1) intern was appointed in October 2018, Two (2) were appointed in July 2019, the other One (1) intern resumed duty on the First (1st) of October 2019 and One (1) vacancy will be advertised during the second quarter and the appointment will be finalized in the third quarter.

SUPPORT OF LOCAL MUNICIPALITIES

- No support was given to the local municipalities during January 2020.

ASSET AND RISK MANAGEMENT**Insurance:**

All Municipal assets are adequately insured with Lateral Unison. The contract runs from 01 January 2019 for a period of three (3) years, which ends on 31 December 2021.

Asset Management:

The asset register is updated on annual basis; this is done to keep up with any changes that might have occurred. The last asset count was done during the month of July 2019 for the 2018/19 financial year.

Information Backup:

All shared data stored on file server (*O & P drives only*) is backed up on backup tapes which are extended automatically on a daily, weekly, monthly and annually basis. System users are responsible for ensuring that data backup and maintenance is carried out regarding their specific usage. General ledger and associated financial system data is backed up on the network server tape system, daily, weekly, tapes are stored on premises, monthly and annually are stored off site. The "e-Venus" financial system was implemented on 1 September 2009. A daily backup is done as well as a day end procedure to integrate daily transactions. On the last working day of each month (a few days after month end to accommodate financial transactions pertaining to the month closed) a monthly calendar, financial backup and integration including closing of votes and opening thereof in the new month is done.

Repairs and Maintenance Cost:

The actual operating costs of the municipal repairs and maintenance that were incurred for the year to date as required in terms of the repairs and maintenance policy are set out below:

<i>OPERATING RESULTS ANALYSIS</i>		Jan-20		VARIANCES
<i>COMPARISON: ACTUAL TO BUDGET</i>	FULL YEAR BUDGET 2019/20	YTD ACTUAL	VARIANCES	%
Municipal Offices	617,510.00	229,768.43	387,741.57	37%
Computer Software and Applications	2,442,320.00	908,854.80	1,533,465.20	37%
Computer Equipment	694,560.00	241,363.65	453,196.35	35%
Furniture and Office Equipment	56,500.00	41,959.41	14,540.59	74%
Machinery and Equipment	487,280.00	191,512.41	295,767.59	39%
Transport Assets	344,530.00	74,469.80	270,060.20	22%
Totals	4,642,700.00	1,687,928.50	2,954,771.50	36%

Year to date expenditure on repairs and maintenance amounts to R 1, 688 million of the R 4, 643 million that was budgeted. The spending is expected to gain momentum as the year progress.

Motor Vehicles - Utilization Statistics:

The municipality operates a pool of 28 vehicles as part of its routine activities. Statistical information regarding the year-to-date utility for January 2020 is as follows:

Disposal of Vehicles:

FRANCES BAARD DISTRICT MUNICIPALITY						POOL VEHICLE CONTROL JANUARY 2020				
Vehicle	Vehicle	Year	Registration	Service	License	Opening KM	Previous Month	Current month	Jan '20	
Description	Allocation	Model	Number		Expires	1-Jul-19	Closing Km Reading	Closing KM Reading	Utility	
1	Chevrolet Captiva	Pool	2011	CDM 296 NC	120,000	2020/09/30	106,434	110,822	111,047	225
2	Isuzu KB 2.5 CrewCab	Environmental Health	2016	CMV 311 NC	75,000	2020/01/31	60,361	69,365	70,496	1,131
3	Chevrolet Cruze 1,6 North	Pool	2016	CMV 321 NC	105,000	2020/01/31	82,567	92,717	93,007	290
4	Toyota Hilux 2.5D	Project Management	2016	CMT 747 NC	60,000	2020/01/31	43,677	46,844	47,165	321
5	Chevrolet Cruze 1,6 North	Pool	2016	CVM 314 NC	90,000	2020/01/31	79,873	89,211	89,629	418
6	Isuzu KB CrewCab	Housing	2016	CMV 319 NC	90,000	2020/01/31	50,506	59,522	60,506	984
7	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	90,000	2019/12/31	77,137	79,158	79,166	8
8	Isuzu KB 250	Housing	2013	CGR 572 NC	105,000	2019/12/31	98,096	102,010	102,728	718
9	Isuzu KB 250	Housing	2013	CGR 576 NC	90,000	2019/12/31	73,642	77,809	77,818	9
10	Hyundai HI	Tourism Centre	2013	CGY 587 NC	75,000	2020/03/31	68,508	72,337	72,748	411
11	Isuzu KB 200	Disaster Management	2010	CBY 895 NC	90,000	2020/09/30	78,584	84,108	84,945	837
12	Isuzu KB 200	Disaster Management	2010	CBY 898 NC	105,000	2020/09/30	90,724	95,599	95,878	279
13	Toyota Landcruiser	Disaster Management	2014	CJL 363 NC	35,000	2020/03/31	33,118	33,776	33,776	-
14	Toyota Landcruiser	Disaster Management	2014	CKW 835 NC	30,000	2020/03/31	27,657	28,762	29,207	445
15	Isuzu Kb 250 D-Teq	Youth Unit	2014	CKR 822 NC	75,000	2020/10/31	68,359	72,093	73,390	1,297
16	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15,000	2020/06/30	2,050	2,050	2,050	-
17	Toyota Etios	Pool	2014	CJG 979 NC	75,000	2019/12/31	65,665	69,177	69,571	394
18	Nissan NP 200	Environmental Health	2014	CJJ 262 NC	75,000	2019/12/31	65,093	72,338	72,602	264
19	Nissan Hardbody	Environmental Health	2014	CJJ 263 NC	45,000	2019/12/31	39,068	43,053	43,356	303
20	Nissan NP 200	Environmental Health	2014	CJJ 258 NC	60,000	2019/12/31	46,052	49,439	49,982	543
21	Chevrolet Park Van	Supply Chain Management	2015	CLF 791 NC	15,000	2020/01/31	11,875	13,153	13,445	292
22	Nissan Almera 1.5 Acenta	Pool	2016	CMT 438 NC	45,000	2020/01/31	37,582	40,949	41,704	755
23	Audi Q7 3.0TDI Quattro	Council	2017	FBDM 1 NC	60,000	2020/04/31	39,754	48,205	49,168	963
24	Nissan NP 300 D/Cab	Housing	2017	CPS 005 NC	30,000	2020/04/31	15,843	23,346	24,113	767
25	Nissan NP 300 D/Cab	Environmental Health	2017	CPS 010 NC	30,000	2020/04/31	17,159	24,015	24,395	380
26	Nissan NP 300 S/Cab	Roads Maintenance	2017	CPS 006 NC	30,000	2020/04/31	12,358	15,494	15,820	326
27	Nissan NP 300 S/Cab	Pool	2017	CPS 008 NC	30,000	2020/04/31	16,451	21,742	22,477	735
28	Scania P310 Water Tanker	Disaster Management	2018	CVG 023 NC	15,000	2020/07/31	1,785	17,985	17,985	10
FULL FLEET UTILITY JANUARY 2020									13,105	

- On the 20th of January 2020, Isuzu KB 200 with the registration CBY 895 NC was involved in an accident that occurred at Barkley West, the matter was reported to the South African Police Station but still waiting for the insurance company to reply.

4. Quality Certificate

I, ZM Bogatsu, the Municipal Manager of Frances Baard District Municipality, hereby certify that–

- The monthly budget statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid-year budget and performance assessment

The report for the month of January 2020 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Ms. ZM Bogatsu
Municipal Manager

Signature



Date

13 February 2020